GOVERNMENT OF INDIA
FINANCE
LOK SABHA

STARRED QUESTION NO:344
ANSWERED ON:09.12.2016
Release of New Currency
Singh Shri Satya Pal

Will the Minister of FINANCE be pleased to state:

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF ECONOMIC AFFAIRS

LOK SABHA
STARRED QUESTION NO. 344*
TO BE ANSWERED ON 9TH DECEMBER 2016/18TH AGRAHAYANA SAKA, 1938
RELEASE OF NEW CURRENCY

344*. SHRI SATYAPAL SINGH:

QUESTION
Will the Minister of FINANCE be pleased to state:
(a) whether the Government is aware that post demonetisation 60 to 70 per cent of new currency notes are being released in the four Metros and only 30 to 40 per cent of these to the remaining cities and rural areas of the country;
(b) if so, the details thereof and the reasons therefor along with the comparative distribution of new currency in urban and rural areas;
(c) whether the Government is aware that people living in rural areas have limited or no access to electronic mode of payments causing them greater inconvenience posed by cash shortage and if so, the details thereof; and
(d) the steps taken by the Government to release more new currency in the rural banks in order to mitigate the problems faced by the people living in rural areas?

Answer

ANSWER

THE FINANCE MINISTER IN THE MINISTRY OF FINANCE
(SHRI ARUN JAITLEY)

(a) to (d): A statement is laid on the Table of the House.
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Statement referred to in reply to Lok Sabha Starred Q. No. 344* to be answered on 09th December, 2016 regarding Release of New Currency

Currency notes are supplied by RBI through currency chests maintained in the banks, keeping in mind the requirement in various areas and regions. Steps have been taken to ensure availability of cash in rural branches of Banks and 1.55 lakh Post Offices. The network of 1.2 lakh Banking Correspondents has also been activated with higher cash holding limits. Moreover, States have been requested to identify the rural pockets, if any, where availability of cash has been a problem and provide all support to the Banks and Post Offices to ensure the last mile distribution of notes through mobile banking vans and Banking Correspondents.

NABARD has made available Rs.21,000 crores limit to the District Central Cooperative Banks (DCCBs) through State Cooperative Banks for Rabi agricultural operations, benefiting more than 40% of the small and marginal farmers. RBI and the Banks have been advised to make the required cash available to the DCCBs resulting in quick and unhindered flow of credit and required cash to the farmers. There are 30 crore RuPay Debit Cards which have been issued, including those issued to Jan Dhan Account holders. To facilitate the use of this debit card, the Banks have decided to waive transaction charges up to 31st December, 2016. National Payments Corporation of India has already waived switching charges for RuPay Cards.

The banks have been advised by the Reserve Bank of India to involve the District co-ordinators functioning under the State Level Bankers' Committee in facilitating/planning distribution of currency from the currency chests so as to ensure adequate supply of currency to the rural branches, post offices, DCCBs etc.
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